



STANDARDISATION OF ONBOARDING INFORMATION

Risk Based Approach

AML/CFT Regulations require the identification and verification of all clients, beneficial owners and controlling parties (where necessary). Each company should define a risk-based approach to determine the appropriate due diligence process, and therefore information to be gathered, when onboarding a new investor or intermediary. Recommended criteria to assess risk:

- Investor risk
- Intermediary risk
- Country risk
- Product/services/transactions
- Channel risk
- Payment risk

1. Scope

Capture information, to allow for the identification and verification¹, for all relevant parties:

- Investor – individual (including joint investors) and entities
- Any beneficial owners (owns/controls >25%² of corporate/legal entity, trusts, foundations etc)
- The intermediary of the account, if applicable (e.g. broker, dealer, introducer, IFA)
- All parties who make or receive payments i.e. investors, brokers, beneficial owners, beneficiaries
- Parties who have control over portfolios e.g. Power of Attorney, executors, guardians, legal representatives

Companies must obtain an explicit declaration whether clients are acting on their own account or on behalf of other persons.

Note: the onboarding data criteria below is intended to cover a broad spectrum of information which may be used by companies to onboard clients and beneficial owners, dependent upon level of AML/KYC risk. It is not intended to be utilised as a list to be used for all accounts across all companies.

2. Exceptions

Investors and beneficial owners should provide mandatory onboarding information prior to the opening of the account. Where companies permit an account to be opened without all mandatory onboarding information, in order to not interrupt the normal conduct of business operations, they should define their exception criteria, and the required mitigating controls e.g. gathering of verification evidence, and a block on the account where deemed necessary. Based on the level of

¹ Verification requirements may vary for individuals depending on level of overall risk

² Percentages should be reduced based on assessment of overall risk



risk identified, senior management approval may be deemed necessary.

3. Onboarding Information Required

4.1 Individual Client

- Title, first name, surname and other names, including former names
- Residential address / City or town / Postcode / Country, including former address
- Correspondence address / City or town / Postcode / Country
- Gender
- Nationality(ies)
- Country of birth / town or city of birth
- Passport/country of issue
- Passport number
- Date of birth
- Telephone home / Telephone work or mobile
- Fax
- Email address
- Profession and job title (if retired, last profession) – indicate employment sector/industry
- Country of tax residency and Tax ID (multiple if applicable)
- Source of wealth/funds
- Personal income/salary banding (per year)
- Household income/salary banding (per year)
- Beneficial owner declaration
- Authorisation set-up: legal guardian or joint holders
- Online access (in countries where available)
- Bank account details and account type
- PEP declaration – name
- Financial Adviser details – name/number/company stamp (where applicable)

4.2 Companies, Partnerships, Trusts & Other Entities³

- Full name of company
- Trading name
- Designation/registration number
- Type of entity (company, partnership, trust, charitable trust, charity etc)
- Business activity
- Website
- Country of incorporation
- Name, residential address, date of birth & nationality for all directors/controllers/persons of significant control (PSCs)/Senior Managing Official (where applicable)

³ Information may also be available via open source data including, but not limited to, Companies House
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- Creation date
- Registered Address / City or town / Postcode / Country
- Country of tax residency and Tax ID
- Countries of operation/principle place of business
- Telephone (business)
- Fax
- Email address
- Source of wealth/funds (to be completed by beneficial owner)
- Beneficial owner declaration
- Correspondence details – full name/address/city or town/post code/country
- Online access (in countries where available)
- Bank account details (not mandatory at time of onboarding)
- PEP declaration – name
- Financial Adviser details – name/number/company stamp (where applicable)
- Details of those signing/operating the account (Authorised Signatory List)
- Country of principle regulatory authority (where in a high risk third country)

4.3 Beneficial Owners

Information required for beneficial owners:

- Surname
- First name
- Other names
- Address
- Date of birth
- *Profession*
- Tax ID
- Country of Taxation
- Ownership/voting right in % (if applicable)

Such information should be cross referenced against the relevant PSC register, where available, and discrepancies reported where required.

4.4 Where company operating as distributor:

- Type of account – omnibus, non-omnibus, nominee
- Entity AML regulated?
- Entity a global provider with headquarters in low-risk country?

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4.5 Source of wealth/funds – all corporate investors and retail investors based on risk

(To be provided by beneficial owner of corporate investor)

- Title / full name
- Place and date of birth
- Residential address
- Profession, current and previous
- Employer's name, current and previous
- Employer's principal activity
- Employer's address
- Estimated total wealth
- Total annual income and source
- Provide details of source of wealth for investment⁴

⁴ Details required depend on level of risk, type of client etc



THE TA FORUM
AML Working Group

Version Control

Date	Version	Review by	Summary of change
	1		Initial draft
01.12.20	2	Marisa Jude, SS&C	Annual review